



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2009 Biennium

<b>Bill #</b>	HB0727	<b>Title:</b>	Revise eligibility requirements for certain benefits
<b>Primary Sponsor:</b>	Lange, Michael	<b>Status:</b>	As Amended

- |   |  |  |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact     | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns              |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts           | <input type="checkbox"/> Dedicated Revenue Form Attached |

### FISCAL SUMMARY

	<u>FY 2008 Difference</u>	<u>FY 2009 Difference</u>	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>
<b>Expenditures:</b>				
General Fund	\$190,125	\$386,100	\$424,710	\$467,181
<b>Revenue:</b>				
General Fund	\$0	\$0	\$0	\$0
<b>Net Impact-General Fund Balance</b>	<u>(\$190,125)</u>	<u>(\$386,100)</u>	<u>(\$424,710)</u>	<u>(\$467,181)</u>

### Description of fiscal impact:

It is estimated that 225 individuals will continue to be eligible each year for pharmacy and prescriber benefits under this bill. Benefits will be limited to twelve months per eligible individual. The number of participants is not expected to grow over this level as individuals will become ineligible at the same rate as participants being added.

### FISCAL ANALYSIS

#### Assumptions:

#### **Department of Public Health and Human Services**

1. The number of new individuals eligible for this service is estimated to remain constant at 225 per year. In FY 2008, this number will gradually increase on a linear basis to total 225 individuals by the end of the year. In FY 2009 through FY 2011, that number will remain constant as the number of applicants added monthly will equal the number of individuals exiting the program due to the completion of their twelve months of eligibility.
2. The pharmacy and prescriber services that will be provided are estimated to cost \$2,400 per year, or \$200 per month. Pharmacy services makeup \$2,200 of that total. Prescriber services are based on two visits per year at \$100 each, where prescriptions are renewed. A 10% inflation factor is applied to all services starting in FY 2009.

3. Individuals served by the program will remain on the program for approximately eight months, or approximately 65% of the year. An estimated 35% of the individuals served will not use their full twelve months of eligibility for a variety of reasons.
4. Cost estimates are as follows: FY 2008: \$190,125; FY 2009: \$386,100; FY 2010: \$424,710; FY 2011: \$467,181

	<b><u>FY 2008 Difference</u></b>	<b><u>FY 2009 Difference</u></b>	<b><u>FY 2010 Difference</u></b>	<b><u>FY 2011 Difference</u></b>
<b><u>Fiscal Impact:</u></b>				
FTE	0.00	0.00	0.00	0.00
<b><u>Expenditures:</u></b>				
Benefits	\$190,125	\$386,100	\$424,710	\$467,181
<b><u>Funding of Expenditures:</u></b>				
General Fund (01)	\$190,125	\$386,100	\$424,710	\$467,181
<b><u>Revenues:</u></b>				
General Fund (01)	\$0	\$0	\$0	\$0
<b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u></b>				
General Fund (01)	(\$190,125)	(\$386,100)	(\$424,710)	(\$467,181)

---

*Sponsor's Initials*


---

*Date*


---

*Budget Director's Initials*


---

*Date*